

Reviews of Papua New Guinea and West Papua are not included in this issue.

## FIJI

Fiji in 2007 was marked by cycles of conciliation and repression that echoed like seismic aftershocks from the December 2006 coup. Steps were taken by the new military-backed government to reconfigure the established order, by purges at the top of the public service and throughout the boards of the state-owned corporations; by reconstruction of the Great Council of Chiefs; and by reform of the Fijian Affairs Board, the Native Land Trust Board, and the Fiji Development Bank. Although there was diplomatic disapproval for the overthrow of Fiji's elected government, the new regime's reformist credentials, as well as its anticorruption and antiracist platform, won it a fair number of overseas admirers and some domestic supporters. But the authoritarian aspect of the coup—that it flew in the face of majority ethnic Fijian opinion—prevented any lasting consolidation. Efforts to build legitimacy thus tended to generate mounting controversy, while phases when criticisms grew brought a furious but realpolitik-driven response.

On 4 January 2007, Republic of Fiji Military Forces (RFMF) Commander Frank Bainimarama relinquished his temporary position as president, and reappointed Ratu Josefa Iloilo as

head of state. A month earlier, Ratu Josefa had been removed from that office because he had disassociated himself from the coup, on the advice of Roko Tui Bau and Vice President Ratu Joni Madraiwiwi. Bainimarama had, at that time, said he was only temporarily “stepping into the shoes of the President” (Bainimarama 2006). Now restored to office, the eighty-six-year-old president lamented that cultural reasons had prevented him from “fully performing [his] duties” on 5 December 2006, referring to the anti-coup pressure from his sacked high-ranking deputy. But he said that he “would have done exactly what the Commander of the RFMF, Commodore Josaia Voreqe Bainimarama did since it was necessary to do so at the time” (Iloilo 2007). Read from a script prepared by military officers who had, over the previous month, kept him virtually secluded from public contact, the speech was carefully contrived to fit the anticipated “doctrine of necessity” defense of the coup before the courts. Yet it constituted a gross abdication of the president's constitutional responsibilities. The normally obsequious Methodist Church, doubting that the president was in full possession of his faculties, suggested that he be “medically boarded, and if necessary, retired with dignity and respect” (Methodist Church 2007; see also Fraenkel 2007).

The next day, Bainimarama was formally appointed prime minister,

ending the month-long tenure of that post by the army camp medical practitioner, Dr Jona Senilagakali. “Extra-constitutional steps,” Bainimarama insisted, had been “necessary to preserve the Constitution,” claiming that legal precedents existed for such usage of “reserve powers” (Bainimarama 2007a). These arguments strongly resembled those put forward by Fiji Human Rights Commission Director Shaista Shameem (2007a, 2007b), but they found little support among Fiji’s senior lawyers (Ali 2007a, 2008). Ostensibly to facilitate an inquiry into the activities of the judiciary at the time of the 2000 coup, Chief Justice Daniel Fatiaki and Chief Magistrate Naomi Matanitobua were sent on leave a day before the presidential handover. At the instigation of the attorney general, a hastily convened meeting of the Judicial Services Commission, chaired by Judge Nazhat Shameem (Shaista Shameem’s sister), appointed Justice Anthony Gates as acting chief justice. That appointment was defended by the attorney general, but it was deemed unconstitutional by most legal scholars (Crawford 2007; Cox 2007; Leung 2007). It signaled the start of a wholesale restructuring of the judiciary, resulting in the August resignation of most of Fiji’s Court of Appeal judges.

On 6 January, Bainimarama, now figuring as prime minister, outlined the “President’s mandate” that was intended to guide his interim administration. The new government would provide amnesty for the soldiers who had carried out the coup; it would validate the decrees, suspensions, dismissals, and appointments of the past month; and it would set out to

eradicate corruption. The sixteen-member interim lineup included two former RFMF commanders, Ratu Epeli Nailatikau as foreign minister, and Ratu Epeli Ganilau as minister of Fijian affairs. Both men have close links to the family of deceased former President Ratu Mara, leading some to depict the 2006 coup as signaling the reemergence of Fiji’s long-eclipsed eastern chiefs. Several other ministers were unsuccessful candidates for Ganilau’s National Alliance Party of Fiji at the 2006 polls. Also included was the little-known Aiyaz Sayed-Khaiyum, who was to play a high-profile role in the media for the new government as attorney general.

In an astonishing turnaround, the principal victim of the 2000 coup, Mahendra Chaudhry, joined the government as minister of finance, as well as assuming the national planning, public enterprise, and sugar portfolios. The constitutionality of the coup was “yet to be determined,” explained Chaudhry, and would not be resolved “for a very long time” (Pacnews, 9 Feb 2007). He said that he had the backing of the Fiji Labour Party (FLP) and the National Farmers’ Union. Chaudhry’s loyal ally, Lekh Ram Vayeshnoi, became minister for youth and sports, and the only other FLP member of cabinet. The coup had been a “revolution for clean up,” Vayeshnoi told a military passing-out parade in June, claiming that it had “effectively removed all vestiges of racial discrimination in this country” and that “today this country moves on steadily and unburdened by racial or ethnic considerations” (FijiLive, 25 June 2007; *Fiji Daily Post*, 22 June 2007). It was an extraordinary claim,

for the December coup as well as the presence of Chaudhry and Vayeshnoi in the cabinet drew strong and almost universal criticism from indigenous Fijians, even if the RFMF monopoly over the country's armaments prevented any violent resistance.

The formation of the new government also made clearer the direction of the ongoing reshaping of the state administration. Most of the former government's chief executive officers (CEOs) in the ministries had been sacked, although Public Enterprises CEO Parmesh Chand had chosen to accept appointment as the top civil servant in the prime minister's office. The new government resolved to abolish the CEO positions and revert back to lower-paid permanent secretaries. In early January, Bainimarama assured the public that RFMF officers would not benefit from his appointment as prime minister (FijiLive, 5 Jan 2007). But soon military officers were being positioned throughout the ministries, including Esala Teleni as chief of police, Viliame Naupoto as director of immigration, and Ioane Naivalurua as commissioner of prisons. The boards of all the state-owned enterprises were overhauled, with those who had been appointed by Laisenia Qarase or known coup critics terminated—usually following allegations of corruption. Their replacements were often FLP members, as for example with Fiji Trades Union Congress leaders Felix Anthony and Daniel Urai, who were given posts on the board of the Fiji National Provident Fund. Most of Fiji's ambassadors and high commissioners were recalled, although the foreign minister frequently struggled to gain overseas acceptance for their

replacements. It was not only Qarase's Soqosoqo Duavata ni Lewenivanua (SDL) Party that was left out in the cold, but also the National Federation Party (NFP), the smaller of the two largely Fiji Indian-backed parties. NFP leaders like Attar Singh and Pramod Rae were to become key critics of the new government, and steadfastly opposed the coup.

In accordance with the objectives of the "cleanup campaign," the promised Fiji Independent Commission against Corruption (FICAC) was established in April, and the president of LawAsia, Mah Weng Kwai, was later recruited as commissioner. This prompted outrage from Court of Appeal President Justice Gordon Ward, and Mah Kwai resigned. Bereft of effective leadership, controversial policeman Nasir Ali took up the reins as FICAC chief investigator and conducted a series of high-profile raids on institutions such as Fijian Holdings Ltd, the Native Land Trust Board, and even Fiji Police headquarters. These uncovered little, and Nasir Ali was transferred back into the police force in favor of a lower-key approach spearheaded by Lieutenant Colonel George Langman. Other investigations—undertaken by the Independent Investigating Team into Institutions Fijian, headed by Colonel Apakuki Kurusiga—targeted the provincial councils, the Native Land Trust Board, the Fijian Affairs Board, the Native Lands Commission, and the Fijian Scholarship Unit. Most striking, a year after the coup, was how little evidence of corruption had been found, despite strenuous efforts. Conversely, criticism began to intensify about corruption, nepotism, and abuse of public funds by the new

officeholders, within the Fiji military, and even by senior interim ministers.

The Great Council of Chiefs (Bose Levu Vakaturaga, or BLV) had been forbidden from meeting in December 2006, after refusing to “reappoint” Ratu Josefa Iloilo as president. In the new year, the council was reconvened with Bainimarama’s blessing to appoint a new vice president. Foreign Minister Ratu Epeli Nailatikau, a potential if somewhat distant claimant of the long-vacant Vunivalu title on Bau Island, was the RFMF-favored candidate. But again the chiefs refused, despite pressure from Ratu Mara’s son, Lieutenant Colonel Tevita Uluilakeba Mara, one of the chiefly delegates from the Lau group. The commander responded angrily, disbanding the council and initiating an ambitious restructuring of the chiefly body under the auspices of the Ministry of Fijian Affairs. A review team, headed by Ratu Tu’uakitau Cokanautu, toured the country seeking submissions. Aside from a few converts, most of Fiji’s leading chiefs remained virulently opposed to the new order. Some, like former Education Minister Ro Teimumu Kepa and her nephew Ro Filipe Tuisawau from Rewa, adopted a high profile. Others, like Ratu Naiqama Lalabalavu (from Somosomo on Taveuni) and the Cakobau siblings (from Bau Island) avoided statements to the national press, but they were equally hostile. Ratu Epenisa Cakobau, a regular at the bars of downtown Suva, was arrested and prosecuted for punching Bainimarama’s son in a nightclub. Only in Lau, the island group to Fiji’s east that had prospered politically under Ratu Mara, did Fijian chiefs favor-

ably receive the new order, although a discernible ambivalence was evident even there.

The years of Fijian chiefs playing the central role in national affairs seemed a distant memory from the vantage point of 2007. Before the coup, Bainimarama had told the chiefs that they should “meet under a mango tree and enjoy home brew” (*The Australian*, 22 Nov 2006). It was a comment often recalled by Fijians during the year, and one that reflected the humorous bravado of the grog bowl that often characterized the commander’s outbursts. “The BLV itself is in many senses a symbol,” deposed Vice President Ratu Joni Madraiwiwi told a workshop in Canberra in July; “in treating it in such a cavalier and contemptuous manner, the Commander exposed the facade of its authority. This has compounded the erosion of traditional authority structures. That may not be such a bad thing, replete as it is with shibboleths and anachronisms which need to be cleared” (Madraiwiwi 2007; *Fiji Times*, 26 July 2007). Ironically, a giant, splendidly designed, F\$30 million complex to house the Great Council of Chiefs was being erected through 2007 along the Suva foreshore—a project dubbed by some prominent Fijians “a monumental folly of our time” (Nadroga businessman Radike Qereqeretabua, quoted in *Fiji Times*, 24 July 2007).

The coup was accompanied by a surge of human rights violations, as the Fiji military struggled to keep reasonably firm control. Civil society activists, lawyers, and SDL ministers, as well as those who spoke out in the press, were apprehended and taken into military barracks, where they

were threatened and forced to undergo humiliating “exercises” (for further details, see Fraenkel 2007, 433–434). At least two Fijians were killed: Nimilote Verebasaga, following RFMF intervention in a dispute about the expiry of Indian leases at Nakaulevu, and nineteen-year-old Sakiusa Rabaka, after undergoing RFMF interrogation at the Black Rock Reservoir near Nadi. In October, the Director of Public Prosecutions Office halted an attempt to smuggle those soldiers accused of Rabaka’s killing out of the country on a UN-chartered flight bound for Iraq.

Troops had been withdrawn from the checkpoints in April, and the public emergency regulations were withdrawn on 31 May, leading to greater calm. But travel bans remained, preventing prominent civil society activists, lawyers, and politicians from leaving Fiji. Lieutenant Colonel Pita Driti also continued to pursue the critical Internet bloggers, threatening students at the University of the South Pacific with termination of scholarships. Triggering renewed outcry from Wellington, New Zealand High Commissioner Michael Green was expelled in June, and a journalist arriving to report that incident, Mike Field, was deported soon thereafter. In November, eleven men—including former military officers, Naitasiri high chief Ratu Inoke Takiveikata, and Fiji Indian businessman Ballu Khan—were arrested, on the basis of scanty evidence, for allegedly conspiring to assassinate Bainimarama, Chaudhry, and others in the interim cabinet.

The regime’s sternest test, however, came in August. Chaudhry’s March mini-budget included plans for a 5

percent wage cut for the public-sector unions. The interim government also wanted to reduce the retirement age from 60 to 55, and to withdraw from the partnership agreement negotiated under the pre-coup government. Trades union reaction was inevitable, but it exposed the deep schisms in Fiji’s labor movement. The FLP-aligned Trades Union Congress (FTUC), whose leaders like Felix Anthony and Daniel Urai had assumed positions in the new order, dropped plans for strike action after 1 percent of the 5 percent cut was rescinded. The rival NFP-allied Fiji Islands Council of Trades Unions (FICTU) did not. The Fiji Nurses Association also struck, with leader Kuini Lutua protesting that nurses were “always facing pay cuts whenever a military coup took place” (FijiLive, 26 July 2007). She condemned FITUC General Secretary Felix Anthony, and Fiji Teachers Union (FTU) leader Agni Deo Singh, both former FLP members of Parliament, for having brokered a politically inspired deal with interim Finance Minister and FLP leader Mahendra Chaudhry (FijiLive, 11 July 2007). As tension mounted ahead of the strike, checkpoints reappeared in the urban centers. Fiji TV screened footage of soldiers and riot police conducting drills with batons, shields, and guns (Fiji TV, 20 July 2007). Taniela Tabu, general secretary of the FICTU-allied Viti National Union of Taukei Workers, was apprehended and assaulted by soldiers, apparently under the watching gaze of Lieutenant Colonel Pita Driti and the Military Council.

The nurses’ strike nevertheless went ahead. Minister of Labour Bernadette Rounds Ganilau resisted pressures

to refer the dispute to the permanent arbitrator for resolution, insisting that her hands were tied by Bainimarama. “This government is not going to budge,” announced the prime minister, explaining, “We do not have to worry about votes” (FijiLive, 3 Aug 2007). While Fiji Teachers Union members remained at work, the rival Fijian Teachers Association went on strike. Education Minister Netani Sukanaivalu responded by bringing forward the school holidays, catching the Fijian teachers off guard and eliminating the strike’s pressure on government. Faced with the prospect of forfeiting pay to no avail, the teachers returned to work. Nurses remained on strike for several days, but soon the trickle of health workers returning to work turned into a flood, and Kuini Lutua called off the eighteen-day strike. It was a bitter defeat, and one that further added to the sense of rancor and political frustration in the indigenous Fijian community.

The return of Qarase to Suva in September proved the occasion for yet another ratcheting up of tension, again triggering a backlash. Shortly after the coup, Qarase had gone back to his home island of Vanuabalavu in the Lau group. The Fiji military had instructed domestic airlines not to transport him back to Suva, thereby trapping him on the island. On 1 September he was allowed to return to the capital after a high court ruling, triggering a blaze of publicity. Qarase declared a willingness to negotiate with the commander, but rejected the idea of working in an interim cabinet under Chaudhry. Bainimarama responded by again condemning Qarase’s “racist policies and actions”

and insisting that “we are fighting against everything he stands for” (FijiLive, 3 Sept 2007). In a sign of just how personal this antagonism was, Bainimarama’s office announced that Qarase would forfeit all the normal privileges of former prime ministers, including free provision of security, transport, pension, and medical treatment (*Fiji Times*, 6 Sept 2006). Intent on nipping in the bud any resurgence of opposition to the coup, the interim government reactivated public emergency regulations on 6 September. Hitting out at the resulting protests, the commander told local nongovernmental association activists to “shut their mouths,” and extolled the popularity among urban property owners of the postcoup checkpoints for their role in bringing down the crime rate.

To handle his deposed adversary, Bainimarama henceforth insisted that any dialogue with Qarase should take place under the auspices of the National Council for Building a Better Fiji (NCBBF). Formally launched in October, this council was tasked with devising a “People’s Charter for Change and Progress” (NCBBF 2007). Co-chaired by the Commander and Catholic Archbishop Petero Mataca, it was intended to bind future elected governments and eradicate forever the politics of race. Among the forty-member council, fourteen were from the government and twenty-six from civil society. The Arya Samaj and Sanatan Dharm (the two main north Indian organizations) joined, as did the Ecumenical Centre for Research, Education and Advocacy; the Citizens’ Constitutional Forum, and the Fiji Chamber of Commerce. Media Council Chairman Daryl Tarte and former

Opposition leader Mick Beddoes also joined, although both were to resign in protest in March 2008. Technical Director John Samy, a former Asian Development Bank consultant, played the key behind-the-scenes role. He emphasized the role of the charter in promoting economic development and in offering an “exit strategy” for Bainimarama. In response to critics who pointed to the marked lack of ethnic Fijian enthusiasm for the NCBBF, Samy said that the council had kept vacant seats for the Methodists and Qarase’s SDL party, should they choose to join.

For the SDL, however, the NCBBF was a poisoned chalice. While publicly committing himself to elections by March 2009 at the Pacific Islands Forum (PIF) in Tonga in mid-October, moments later the commander told reporters that “if anybody with Qarase-like policies comes in, the charter will automatically remove him” (*Fiji Times*, 18 Oct 2007). This echoed an intention conveyed earlier by the shadowy Military Council, which was regularly convening straight after each cabinet meeting. The PIF Eminent Persons’ Group had been told in January that Fiji needed a population census and a redrawing of constituency boundaries before another election could be held (PIF 2007). This “roadmap” had been embraced by the European Union as critical to its release of F\$400 million for restructuring the sugar industry. Now further hurdles were being erected, including the need for a blacklisting of race-based parties and radical electoral reform that would inevitably entail abrogation or substantial amendment of the 1997 constitution. Another bizarre

document released by the Fiji Human Rights Commission in September, “Report of the Commission of Inquiry into the Fiji 2006 General Elections,” sought to unearth proof that Qarase had rigged the previous polls, based only on hearsay from a very restricted sample of respondents (FHRC 2007). If so, the coup supporters argued, many administrative matters needed to be set right before any future holding of elections.

Yet the real obstacles to fresh elections were political, not technical. The support base for the new regime was not firm. In the May 2006 election, four of every five ethnic Fijians had voted SDL. The bitter experience of the 2006 coup, the attacks on the Great Council of Chiefs and the Methodist Church, the public-sector strikes, and human rights abuses had increased Fijian support for Qarase’s party. By keeping Chaudhry close, Bainimarama might be able to count on the support of the majority of Fiji Indians, but this would not be enough to control the next government. As the 2007 Census of Population figures indicated, indigenous Fijians had risen to 57 percent of the population, while Fiji Indians were down to 37 percent. Ideally, a centrist party—like that launched by Ratu Epeli Ganilau for the 2006 polls—might emerge and capture enough Fijian votes to permit a coalition government with the Fiji Labour Party. But Ganilau’s National Alliance Party of Fiji (NAPF) had obtained only 2.9 percent of the vote in May 2006, and had not gained a single seat. The advantage of incumbency, and the new alliances occasioned by jockeying for position in the postcoup order, might boost a little support for a regime-

backed Fijian party or coalition with the FLP, but a revamped NAPF seemed unlikely to become a major player in a postelection government formation process.

The 2006 coup was a coup to end all coups, Bainimarama told the UN General Assembly on 29 September. It was justified by racism, corruption, and poor governance under Qarase, and by an intensifying economic decline that threatened social catastrophe (Bainimarama 2007b). Such claims were frequently made, at the United Nations in New York, at the Pacific Islands Forum meeting in Tonga, and repeatedly at home in Fiji throughout 2007. They were not wild fabrications, but they were grossly exaggerated.

Qarase's legislative program had been contrived to appeal narrowly to the indigenous Fijians, and thus to offset the challenge experienced from George Speight in May–July 2000 (Fraenkel 2000; Fraenkel and Firth 2007). Central to this had been the poorly conceived “50:50 by 2020” program, otherwise known as the Blueprint for Affirmative Action for Indigenous Fijians and Rotumans. But affirmative action was not new to the Qarase government, nor was it a vast element in that government's expenditure. All politicians claimed to be intent on somehow uplifting Fijian living standards. None of the three key contentious pieces of legislation that so infuriated Bainimarama—the ill-conceived Reconciliation, Tolerance and Unity Bill; the Qoliqoli Bill; and the Indigenous Claims Tribunal Bill—had been enacted by the time of the coup, and the power-sharing cabinet formed after the May 2006

polls might well have halted these altogether, or at least watered them down. As the commander told the United Nations, some of the 2000 coup conspirators had been released from prison under Qarase, or had been given high-ranking government positions, mostly because they held high chiefly status or potentially delivered powerful provincial backing to the government. Yet Speight himself remained under lock and key, and most of his fellow conspirators had served out their prison terms (see Bhim 2007). A key figure in the SDL hierarchy, Naitasiri chief Ratu Inoke Takiveikata—convicted for high treason for his part in the mutiny at the army's Queen Elizabeth Barracks in November 2000—had remained in jail (although ironically he was released after the 2006 coup, when about-to-resign Court of Appeal judges overturned the conviction of Ratu Inoke by Justice Anthony Gates, on the grounds that Gates had publicly indicated bias against the Naitasiri chief). The latest coup perpetrators seemed unlikely to face a similar fate.

Most centrally, despite the core coup justification of initiating a “cleanup campaign” against corruption, by the end of 2007 little evidence of corruption had been found. Former SDL campaign manager Jale Baba had been identified as having sold off a second-hand government vehicle for F\$700 for private gain (*Fiji Sun*, 29 Jan 2007), and there were some minor revelations of tax evasion and abuse of official purchasing privileges. But nothing had been found against Qarase or any of his ministers. Talk of the cleanup campaign thus faded toward the second part of 2007,



replaced by a growing emphasis on the utopian objective of transcending race antagonisms via electoral reform. In a discernibly new twist in the ever-changing case for the 2006 coup, squabbling politicians pandering to unruly electorates were blamed for Fiji's troubles, and the potential role of the unelected armed forces in encouraging economic development and increasing living standards was extolled (Devi 2007).

Bainimarama's claims before the United Nations of impending economic catastrophe prior to the December 2006 coup were also wildly overstated. The economy had not been strong prior to the 2006 coup, although tourism and construction were booming. But it shrank by at least 4 percent in 2007. The Vatukoula gold mine closed on the day of the coup, and sugar and garment manufacturing remained in the doldrums. Remittances, which had peaked in 2006, fell back in 2007. Crucially, tourist arrivals tumbled, despite offers of knockdown hotel deals. Chaudhry's March mini-budget had cut intended government spending from F\$1.7 to F\$1.5 billion, whereas most economists advised devaluation and deficit spending. Yet much remained concealed beneath the surface, including the RFMF's budget blowout. The buildup of inflationary pressures over 2007, only partly driven by external factors, suggested more liberal spending than officially planned or recorded. Balance of payments pressures, and the threat of devaluation, remained severe for the first half of 2007, until the domestic economic slowdown relieved pressures by substantially reducing imports.

The year 2007 thus ended as

it began, with a coup still unconsolidated. The challenges ahead were many: economic, legal, and above all political. The cyclical pattern of waves of repression followed by phases of attempted negotiation and conciliation looked set to continue into 2008.

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## NEW CALEDONIA

After three years of ad hoc, issue-by-issue cooperation in the Congress of New Caledonia between the loyalist but centrist Avenir Ensemble (AE, or “Future Together”) and various pro-independence parties in the Front de Libération Nationale Kanak et Socialiste (FLNKS), the formerly dominant Gaullist Rassemblement pour la Calédonie dans la République (RPCR) reconfirmed its control over New Caledonian representation in the French Parliament, thanks in part to the victory of Nicolas Sarkozy as successor to Gaullist Jacques Chirac in the presidential election. But the new regime in Paris confirmed France’s commitment to the Noumea Accord of 1998, which stipulates a gradual devolution of self-governing powers

to the territory (since 2003 referred to officially as a semi-autonomous “overseas entity”) and working toward a “common destiny” for this multiethnic society. Progress continued in the development of new nickel mining projects despite ongoing concerns over environmental pollution; in economic growth, despite rising problems with a high cost of living and homelessness; in the recognition of Kanak cultural identity and the teaching of Kanak languages; and in the country’s role in the Pacific region. Militant labor unions remained as active as ever, even forming a new Labor Party.

The RPCR had dominated local politics for many years, building a reputation for not consulting much with other parties in making government decisions. But in the 2004 provincial elections, loyalist opponents and dissidents formed the AE coalition and won control of Congress and the Southern Province. Since then it has been the RPCR’s turn to complain about being marginalized in government decision-making. So, starting in 2006, RPCR leader Pierre Frogier began a strident campaign reminiscent of the fear tactics that had polarized the country in the 1980s. In a bid to appeal to French loyalists, especially recent immigrants, Frogier opposed the freezing of the electorate in congressional elections and referendums on independence, calling the concept (embedded in the Noumea Accord, which he signed in 1998) a violation of human rights. The FLNKS, on the other hand, has been struggling for twenty-five years against allowing new migrants from France and its other Pacific territories to vote on the country’s destiny, considering that in the 1970s France

orchestrated an immigration wave that brought in 25,000 people, during a nickel boom, to make a minority of parties wanting autonomy or independence. The FLNKS adheres strongly to the Noumea Accord, which stipulated that only those who had been residents for ten years in 1998, or their adult descendants, could vote in key congressional elections or referendums. But Frogier has complained that such a stipulation would exclude 11 percent of residents who could already vote in national, municipal, and even European Union elections; and in Noumea, the capital, perhaps 20 percent of voters would be excluded, including many RPCR supporters. Because French presidential and legislative elections were approaching in 2007, the rhetoric grew more shrill as 2006 came to a close, and some members of the Gaullist allies of the RPCR in France, Chirac's UMP (Union pour un Mouvement Populaire) joined the debate, while the Socialists (generally pro-FLNKS) and the centrist UDF (Union pour la Démocratie Française, to which many AE members adhere) tended to side with the FLNKS viewpoint to uphold the consensual Noumea Accord and the organic laws that enacted it in 1999.

As the issue moved through metropolitan and European institutions, the FLNKS interpretation prevailed. As early as 2005, the European Court of Human Rights had approved the frozen electorate, and in March 2006 the French Council of Ministers did the same. But in December 2006 and early 2007, the RPCR nevertheless mobilized opponents of the concept in what was clearly an electoral gambit for the 2007 elections. Senator Simon

Loueckhote even proposed that three rather than ten years of residence should suffice for all voters, and in January 2007 the RPCR coalition warned that the FLNKS and its allies wanted to “confiscate the right to vote” and ultimately impose an “ultra-communalist” notion of citizenship “based on blood, and not on soil,” thereby creating second class citizens (KOL, 8 Jan 2007). AE territorial President Marie-Noëlle Thémereau called Frogier “irresponsible” because he himself had signed the Noumea Accord (*Le Monde*, 15 Jan 2007). Ironically, many loyalists now in the AE had not signed the accord, and had also voted against its approval in 1998. Despite the acrimonious debates and demonstrations, in December 2006 the French National Assembly adopted the frozen electorate for New Caledonian congressional elections in 2009 and 2014 and in the possible independence referendums (NC, 15 Dec 2006). In January the French Senate followed suit, and the combined Parliament did likewise in February, by 724 votes to 91 with 55 abstentions, thus enshrining the principle in the French national constitution (NC, 18 Jan, 21 Feb 2007).

In April and May, the French presidential election pitted primarily Sarkozy of Chirac's UMP against Ségolène Royal of the Socialists and François Bayrou of the UDF (former President Giscard d'Estaing's party), though lesser candidates like anti-immigration Jean-Marie Le Pen of the Front National (FN) and anti-globalization activist José Bové made the campaign colorful. In New Caledonia, the RPCR and some AE members who belong to the UMP campaigned for

Sarkozy, Didier Leroux of the AE campaigned for Bayrou, and liberals and pro-independence supporters backed Royal, while the local FN supported Le Pen and radical labor unions supported Bové. In 2006, a French court had convicted Le Pen of inciting racial hatred because of his anti-immigration venom, yet in New Caledonia the immigrant FN opposes the frozen electorate as racist (BBC News, 16 April 2007; NC, 4 Dec 2006). After the first round of voting on 22 April, in which a record 85 percent of French voters participated, Sarkozy and Royal had a run-off on 6 May, with the UMP leader winning 53 percent of the final vote (BBC News, 22 April, 6 May 2007). In New Caledonia, the Kanak-ruled North and Islands provinces voted about three-to-one for Royal, reaching as high as 93 percent in some communes, while the immigrant-dominated South did the opposite, with 80 percent of Noumeans choosing Sarkozy. Because the South is more populous, overall 63 percent of New Caledonians voted for Sarkozy (NC, 7 May 2007). He promised to uphold French honor, identity, and security, and to promote economic growth while reducing taxes (NC, 8 May 2007).

The RPCR-UMP regarded Sarkozy's victory as a plebiscite for its loyalist platform, since the South, where the turnout was 76 percent of the electorate, had voted overwhelmingly for him. The FN and many in the AE had also supported Sarkozy in the runoff, since both are loyalist, and Loueckhote conceded that the frozen electorate issue did not really change much. Turnout in the pro-Royal North had

been 63 percent, but in the Islands only 37 percent, while in the South, Bayrou got more votes than Royal did (NC, 7–8 May 2007). In the French legislative elections of May and June, eleven local candidates presented themselves for the two deputy seats in the National Assembly. For once, the FLNKS showed more unity than its loyalist opponents did, but districting and demography favored the loyalists: Noumea was grouped with the much less populated outer islands in the first district, and the populous suburbs of the South were grouped with the "Bush" (small communes and Kanak tribes on Grande Terre) in the second district. The competition was intense between the RPCR-UMP and the AE, complicated by various dissident groups and the FN (NC, 7 May 2007). With Jacques Lafleur (who founded the RPCR in 1978) and his longtime aide, Algerian pied noir Pierre Maresca, pushed to the loyalist margins in 2006, Frogier ran in the second district for the RPCR-UMP and Gaël Yanno in the first. Both Lafleur and Maresca would run in the legislative election but without significant support (NC, 16 April, 5 May, 11 May 2007).

Frogier argued that the Noumea Accord needed to be "dusted off" and reconsidered, because it was not, he said, a magic incantation nor a sacred talisman. He claimed that the freezing of the New Caledonian electorate by France was caused more by the guilt felt by Chirac over the 1988 Ouvea massacre than by real dialogue. Worse, the FLNKS goal of a local citizenship and favoritism in hiring for local-born residents "creates a sort of nationality before its time. It's really independence

that they are preparing” (NC, 2 March, 14 June 2007). He criticized the new primary school history and geography textbook that the local congress had paid for, because its preface was signed by the president of New Caledonia, Thémereau of the AE, and by Charles Washetine, the pro-independence minister of education; he said both were playing politics (NC, 9 March 2007). The AE would propose Southern Province President Philippe Gomes as candidate for deputy in the first district and Congress President Harold Martin of the UMP in the second, thus alienating Leroux, who was of the UDF, and thereby splitting the AE voters (NC, 12 April, 11 May 2007). After more than a decade of dissension, the pro-independence Union Calédonienne (UC) agreed to form a single ticket with the rest of the FLNKS, which was led by Palika (Parti de Libération Kanak). Together, they proposed Washetine of Palika in the first district and Charles Pidjot of the UC in the second, who both upheld the Noumea Accord (NC, 13–15 June 2007). The only real dissidence came from the powerful pro-independence labor union, USTKE (Union Syndicaliste des Travailleurs Kanak et Exploités). After the first round, the runoff pitted Frogier/Yanno against the two Charleses, a replay of the 1980s’ ethnic polarization because each side had a different attitude toward the consensual accords that had brought peace. As in the presidential election, the more numerous loyalists rallied behind the RPCR-UMP. Frogier and Yanno both won their deputy seats, by percentages of 54–46 and 69–31, respectively, and they quickly proposed to UMP voters

in the defeated AE that they ally with the RPCR in a “presidential” majority in Congress against the FLNKS (NC, 12 June, 18 June, 25 July 2007).

The UMP prevailed in France as well, where it preserved its absolute majority in the National Assembly, while the UDF, Communists, and FN all declined. François Fillon, whom President Sarkozy had named as his prime minister, kept his job (NC, 12 June 2007). But there was no direct link between the French presidential and legislative elections and the Congress of New Caledonia, which the AE still ran along with the Southern Province. The RPCR had already controlled the two deputy seats for twenty years, but would the UMP victory in France change power relations in Noumea? The RPCR-UMP certainly wanted that, just as they had used the reelection of Lafleur as deputy in 1982 as a lever to challenge a ruling coalition between pro-independence and centrist parties in the local Governing Council back then, claiming the majority had spoken, but to no avail. The RPCR-UMP now “offered its hand” to other loyalists in the Congress so that it could try to regain its former place in local governing institutions (NC, 25 June 2007). Prevented from expanding its voice from local politics to the French Parliament and torn by the divided loyalties of its UMP members, the AE dialogued with the RPCR-UMP for over a month, finally agreeing to reshuffle some positions in Congress after Thémereau resigned as president of the government executive due to exhaustion, which forced the Congress to elect a new territorial leader and cabinet (NC, 24 July 2007).

The centrist AE arose essentially in opposition to Lafleur's dominance for a quarter century, so would its UMP members accept Frogier's offer to form a new majority in the Congress? Two key policies of the AE might become obstacles to such an arrangement: its adherence to the Noumea Accord (with its implied collegiality in decision-making), and its socioeconomic policy to help those middle and lower income people who were not part of the old ruling elite that had battled with Maurice Lenormand's multiethnic, autonomist version of the UC in the 1950s and 1960s. While Frogier now attacked the Noumea Accord, former RPCR dissident Martin (whom Lafleur had once tried but failed to remove as mayor of Paita) pointed out that the AE position conformed with that of Sarkozy's new Overseas Secretary Christian Estrosi—namely, that the Noumea Accord was the lawful path to follow, since it had been made part of the French constitution in 1999 (NC, 26 June 2007). But Sarkozy had already tried to promote a unification of loyalists like Frogier and Martin under the UMP banner in 2006 (in a publicized event now known as “the sandwich accord”), and now that he was president, Sarkozy continued that effort. By July, *Les Nouvelles Calédoniennes* ran a headline announcing that the AE “bites the sandwich,” as Martin and Gomes agreed to share power with Frogier, while Leroux and Thémereau both resigned from the executive, though they would remain in the Congress. Sarkozy had promised that the French State would remain an impartial arbiter, and Estrosi promised a meeting of the annual Noumea Accord Signers

Committee before the end of the year (NC, 20 July 2007).

By the end of the month, the “sandwich” became a signed accord, as Frogier too would resign from the territorial executive but remain in Congress, and Estrosi would support AE socioeconomic policies, including favoring locals in hiring. Frogier was elected president of Congress, defeating his FLNKS opponent by two to one, and congressional vice presidencies were divided among the RPCR (2), AE (3), and FLNKS (3) (NC, 31 July 2007; PIR, 31 July 2007). In August, the first vote for the executive failed due to an “error,” as two ballots stuck together in the urn and were disqualified, which led to an FLNKS walkout because it would thus have gotten only three positions in the cabinet (as before). The voting procedure was then improved, but in the revote, Christiane Gambey of the AE (and LKS, or Libération Kanak Socialiste) deliberately left her ballot blank, thus enabling the FLNKS to gain four cabinet seats proportionally (with 18 out of 35 votes instead of 36). Gambey, the only Kanak representative from the South (because most Kanak vote in their home districts, not where they work), said she was protesting against the RPCR's longtime foot-dragging on the Noumea Accord, such as creating a local citizenship, and its earlier opposition to peaceful solutions in the early 1980s (NC, 15 Aug 2007; PIR, 13 Aug 2007). Yet even with four cabinet posts out of eleven, it was clear that the independence cause was supported by only one-third of the total population (but by perhaps 80 percent of Kanak).

The FLNKS had displayed new unity

in the French legislative elections, and even after failing to win a seat (when the old UC had dominated representation in Paris in the 1950s and 1960s, thanks to Lenormand and Kanak leader Roch Pidjot), it had lobbied hard in Paris to get the new regime to support the Noumea Accord, while also renewing its own friendships with the Socialists and other metropolitan parties (NC, 4 July 2007). In October, UC President Pascal Naouna complained that the congressional majority got angry when FLNKS delegates spoke of independence, arguing that French State support for the Noumea Accord was now the main source of hope in decolonization. But he admitted that locally “it is necessary to conquer a new electorate” by “convincing the others,” namely, enough loyalists to win the required 60 percent vote in Congress to hold a referendum on independence toward the end of the decade or soon after (NC, 1 Oct 2007). In November, Charles Pidjot replaced Naouna as head of the UC in a 96–83 vote and soon said of the radicalized loyalists, “We don’t need them in order to discuss with Paris and to move forward on the Noumea Accord and the emancipation of the country” (NC, 5 Nov, 9 Nov 2007). With the Signers Committee meeting approaching, as well as municipal elections in 2008 and provincial elections in 2009, the FLNKS sought to solidify its new unity and push for the rapid transfer of more self-governing powers to the country. Spokesperson Victor Tutu-goro admitted that “independence can cause fear,” so “to win in 2014, we must go beyond our own walls to go look for the others beyond” (NC, 10 Dec 2007). Kanak activist Sari-

min Boengkiah reminded Frogier in a letter that the United Nations had passed a Declaration of the Rights of Indigenous Peoples in September that supported indigenous self-government and autonomy over economic development within the official borders of an established country, and that the Kanak opposed assimilation (KOL, 24 Oct 2007).

Estrosi got off to a rocky start as overseas secretary in October, when he formally visited French High Commissioner Michel Mathieu in Noumea. As part of a general strike, USTKE held a barbecue nearby with loud music playing, so Estrosi complained about the lack of State police action against union blockades, a common problem in New Caledonia. Mathieu resigned in protest, an unprecedented action, and Sarkozy quickly replaced him with Yves Dassonville, who assured the public that the State would play a more active role in mediating labor disputes and that he regarded police action only as a last resort (NC, 15 Oct, 10 Nov 2007). Meanwhile, Estrosi espoused the Signers Committee meeting, which at first displeased Frogier, because he opposed a “socialist” reading of the Noumea Accord that implied possible independence (NC, 8 Oct 2007). Trying to straddle the local political spectrum, Estrosi also saw the AE as a legitimate partner in the Signers Committee dialogue, along with the RPCR and FLNKS, which had signed the accord in 1998 along with Socialist Prime Minister Lionel Jospin (NC, 18 Oct 2007). The AE was regrouping and prepared a detailed agenda for the December signers meeting in Paris, which Prime Minister Fillon himself took charge of



(*NC*, 19 Oct, 29 Oct 2007). The result was a document that prioritized the irreversible transfer of more self-governing powers to New Caledonia, thus backing the AE /FLNKS version of the accord, as well as promising State help with economic development, particularly the new nickel mining projects to balance the North and South while paying closer attention to environmental issues such as protecting the offshore reef, addressing infrastructure issues, providing housing and education for those with lower incomes, dealing with contentious labor disputes, hosting the Pacific Games in 2011, and enhancing France's role in the Pacific Forum now that New Caledonia and French Polynesia had become associate members. The AE and FLNKS were happy, and the RPCR touted consensus and downplayed the power transfers (*NC*, 22 Dec, 27 Dec 2007).

Economic growth in New Caledonia is higher than in any other French overseas entity, though the country also has serious socioeconomic challenges. On the basis of overall statistics, the economy is healthy, with low inflation and rising consumption, rising job creation and decreasing unemployment, but high housing costs are reaching the level of Paris, partly because metropolitan officials and retirees receive almost double the salary or pension they would receive in France. Rising urban population is causing more crowding in homes and expanding squatter camps and homelessness, and the primarily Kanak-inhabited North and Islands provinces have higher poverty and unemployment rates and lower educational levels. Nearly 40 percent

of the potential working population lack high school diplomas, while new immigration provides a fifth of the annual demographic growth that is expected to bring the total population to 250,000 in 2008 (*NC*, 15 Feb 2007). In response, the AE-led government has increased family allowances, lowered prices for essential products like food, frozen rents for a year, expanded social services, and raised the minimum wage (*NC*, 29 June 2007). It has also tried to increase tourism, especially from China, but the dominance of mining and the flow of French aid keeps New Caledonia tourism small in scale; in addition, agriculture has suffered from rainstorms, so there is ongoing dependence on budgetary help and development contracts from Paris. In December, the Congress passed a US\$2 billion budget, financed partly from new local taxes and the rest from French or European Union financial aid (*NC*, 21 Nov 2007; *PIR*, 3 Dec, 14 Dec 2007).

In the most industrial country in Oceania, labor unions are quite strong and active, and at times their strikes become militant and political, pushing politicians to complain or listen, for example, on the issue of favoring local hiring that was inscribed in both the Noumea Accord and the organic laws that followed (*NC*, 18 Oct 2007). Faced with rising living costs, they also want their share of the proceeds from economic development, so the minimum monthly wage was raised in January to 120,000 Pacific francs, or about US\$1,200 (*NC*, 8 Jan 2007). Mining unions noted the rising price of nickel and demanded a corresponding increase in wages, and those in various support or service sectors felt

likewise. But social dialogue between workers and employers has all too often not gone smoothly in New Caledonia, leading to roadblocks with burning tires and work stoppages without enough action by the State, positive or negative (NC, 4 Sep, 2 Oct, 9 Oct 2007). France too has its powerful labor unions who strike militantly, but in late 2007 Sarkozy battled transporters over pension reforms, while a thousand people marched in Noumea against “terrorism” by local unions (BBC News, 13 Nov 2007; NC, 12 Nov 2007). For example, USTKE, which Estrosi had criticized, blocked the local cement industry and urban bus company for months—along with other strikes to support favoring local hiring and protecting workers fired for union activities—and in October USTKE called a general strike because the police had intervened (NC, 13 Oct 2007). After testing the waters in the presidential and legislative elections by backing Bové and then its own candidates, respectively, USTKE defied appeals by the FLNKS not to divide the Kanak vote and formed its own Labor Party in November, with support from metropolitan Trotskyists, dedicating itself to independence, anti-globalization, and revolutionary socialism (NC, 16 Nov 2007). It remained one of the two largest unions, as labor leaders compete for membership using dramatic strikes to attract support (NC, 12 April 2007).

Nickel mining has long been the mainstay of New Caledonian exports, and that sector is increasing still further in importance, raising concerns about vulnerability to ups and downs in price cycles and uncertainty as competing multinational corpora-

tions buy and sell each other and chief executive officers come and go. For example, since January 2006 the price of nickel had jumped 135 percent because of the demand for stainless steel in China and India. In January 2007, when a single ship carrying 1,000 tons of nickel sank off England, the price went up another 15 percent on the London Metal Exchange, as that loss represented nearly a fifth of available world supply. Then in May 2007, the price per ton dropped by US\$11,000 due to overspeculation, rising competition among producers, and a decision by China (which buys one fifth of the global supply) to stop imports temporarily. By August, the price had dropped another \$15,000, but by October, it had stabilized at about \$25,000 a ton, and predictions for rising demand in 2008 and a price of \$35,000 a ton fueled local development projects in New Caledonia, which has about a third of the world nickel reserves (NC, 27 Jan, 14 June, 23 Aug, 24 Oct 2007). La Société Le Nickel (SLN), the largest local mining company, enjoyed a record profit in 2006 and is expanding its production at mining sites in the North and at the Doniambo processing plant outside Noumea, aiming to export 75,000 tons a year. New Caledonia has increased its shares in the SLN to about one-third, giving it a considerable voice in policy-making in a firm that was once half State-owned and held a near-monopoly locally (NC, 15 March, 25 July 2007).

In contrast, the territory’s financial participation in the Goro nickel plant project in the South and its nearby power plant at Prony has actually dropped from 10 percent to only 5

percent, but Goro's Brazilian partner CVRD (Companhia Vale do Rio Doce) assures the government that after initial construction is complete and production starts in 2009, the royalties will reach 10 percent. The Goro-Prony project has been the focus of repeated protests because of environmental and local hiring concerns, but CVRD says that the rise in nickel prices will enable it to afford better pollution controls, and it has increased efforts to train local workers. Raphael Mapou of Rhéébù Nùù has therefore changed his stance from open opposition to ongoing vigilance (NC, 20 June, 17 Nov, 13 Dec 2007). The Koniambo mining and processing project (a partnership between the Kanak-run Northern Province and the Swiss firm Xstrata, with additional support from France) will pay 51 percent of dividends to the province, and it finally got the green light to begin construction, while addressing infrastructure development and environmental and local hiring concerns. In a complex financial arrangement made by local-born André Dang, director of the North's SMSP (Société Minière du Sud Pacifique), the province will help pay for its share of construction by partnering with the South Korean firm Posco to process nickel ore at a new plant in that country (NC, 26 Feb, 18–19 Oct 2007). The Goro and Koniambo projects each involve investments of US\$3–4 billion, or about twice the territorial budget. The Koniambo project in particular is important to the FLNKS for rebalancing the territory's economy by creating more income and jobs in the North. Even Martin of the South and Loueckhote of the Islands applauded the

project, showing needed support for working toward the common destiny prescribed by the Noumea Accord (NC, 28 Dec 2007).

In that spirit, notable progress was made in 2007, despite all the politics, in efforts to build a multicultural citizenship. In April, the government created a committee to develop identity symbols, as the Noumea Accord suggested, such as a new name for the country (Kanak New Caledonia?), a flag, a hymn, banknote images, and a motto. The last three would be chosen by public competitions, while the first two, more contentious, would be negotiated in committee. Vice President Déwé Gorodey of Palika assembled twenty representatives of civil society, from historians and customary leaders to political parties and voluntary associations, and told them, using Kanak imagery, "The Great House we are going to build together is that of our children" (NC, 13 April, 28 Dec 2007). A new, localized primary school textbook of history and geography was also unveiled, the product of three years work by numerous experts from every community, complete with documents from different viewpoints. Historian Christiane Terrier explained that it was not an official history because, despite accusations to the contrary, "We were under no pressure from politicians, who never looked at the contents" (NC, 24 Feb 2007). Congress also voted unanimously to create an Academy of Kanak Languages to preserve and promote the continued use of the forty indigenous languages and dialects of the country, some of which are now being taught in schools (NC, 18 Jan 2007; PIR, 18 Jan 2007). Once again on 24 Septem-

ber, a date that formerly commemorated the French taking possession of New Caledonia in 1853, the 150 Years Later Committee celebrated a multicultural day of unity around the site of the Mwâ Kâ, a symbolic totem pole made four years ago by Kanak artists. Participants expressed pride in their country in music, dance, poetry, and refreshments for eight hours, under the rubric "Caledonia My Country" (NC, 22 Sep 2007).

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### SOLOMON ISLANDS

Solomon Islanders entered 2007 with expectations that the Manasseh Sogavare-led Grand Coalition for Change government would make positive changes, especially in the delivery of social services. These expectations were created partly by Sogavare government's announcement of its Bottom Up Approach to development, which promised to develop rural areas where a majority of Solomon Islanders live. The Bottom Up Approach was expected to bring fundamental changes in the development of the country after decades of dismal performance since independence.

The year began with a nagging strain on diplomatic relations with Australia. The political drama began when twelve Solomon Islands police officers were sent to Taiwan for special security training involving firearms and self-defense. Although firearms-related training was denied by Taiwan's vice foreign minister who visited Solomon Islands in February, the prime minister continued to stress the need to rearm the Personal Protection Unit, which normally provides security to government ministers and dignitaries. Widespread national and international criticism over the rearmament proposal followed its announcement. Notably, Australian Foreign Minister Alexander Downer took the unusual step of writing directly to the people of Solomon Islands to express his grave concern about the state of the relationship with Australia. In his "Letter to the People of Solomon Islands," Downer said: "Australians and your regional neighbors who make up RAMSI [Regional Assistance Mission to Solomon Islands] remain committed to working with you to prevent a return to these bad old days; we remain committed to keeping RAMSI in place, so that Solomon Islands can continue to move forward." He added that "sadly there seems to be a deliberate push to undermine RAMSI, to tarnish its reputation, and make it hard for it to continue its work" (*Solomon Star News*, 9 Feb 2007). Prime Minister Sogavare responded by accusing Downer of acting undiplomatically, pushed to establish a time frame for RAMSI to leave, and canceled two appointments for the designated Australian High Commissioner to Solomon Islands, Peter Hooton, to

present his letter of introduction. Hooton was eventually able to present his credentials, and Sogavare withdrew the rearmament plan.

As this diplomatic row continued, four government members of Parliament crossed the floor and joined the opposition group just before Parliament convened for its first session of the year. The group consisted of former Prime Ministers Billy Hilly and Bartholomew Ulufa'alu, Deputy Prime Minister Job Dudley Tausinga, and MP Trevor Olovae. The no-confidence motion was the second in ten months. However, it was disqualified by the Speaker of Parliament on the grounds that it did not meet the seven days notice required by parliamentary standing orders. The Speaker would only allow the motion to be tabled if the Opposition could demonstrate the numbers to debate the motion.

Many citizens, however, hoped that the prolonged diplomatic row with Australia could be resolved because it had brought so much negative publicity, and to allow the government to concentrate on critical issues of national importance. These included opening major resource development industries, securing opportunities for temporary labor markets overseas, and creating a political and economic environment conducive to promoting foreign investment and creating more jobs.

There were concerns that despite its promises of a Bottom Up Approach to development, the Sogavare-led government had not put in place a plan that outlined what needed to be done and how it would be implemented. Furthermore, Solomon Islands continued to depend on foreign aid. For instance, the 2005 budget showed

that donors funded 55 percent of the recurrent budget and 90 percent of the development budget. In 2006, donors funded 86 percent of the development budget. Heavy reliance on donors highlighted the need for the Solomon Islands government to take the lead in determining its national priorities in consultation with other stakeholders, and in translating these priorities into national development strategies.

As if the country's political dramas were not enough, on 2 April an earthquake measuring 8.1 on the Richter scale shook the country, causing a tsunami that destroyed villages in parts of the Western and Choiseul provinces. At least fifty-two people were killed, and approximately 36,000 people left homeless. Western and Choiseul provinces were declared disaster areas. This triggered a huge inflow of assistance. Despite this, as late as 2008 it was reported that many of those affected had not yet received assistance. This triggered a political row between the Western Provincial government and the central government. In early 2008, while visiting the Western Province, newly elected Prime Minister Dr Derek Sikua assured Western Provincial government that his government had earmarked fifteen million Solomon Islands dollars for reconstruction and rehabilitation of tsunami-affected communities. As the focus remained on the tsunami, the country was shocked toward the end of April by the sudden passing of Joses Sanga, a cabinet minister and member of Parliament for East Malaita. Sanga was a long-serving public servant who became a member of Parliament in 2001. His passing was regarded by many as a great loss to the country.

The year 2007 was also dominated

by debates surrounding the appointment of Julian Moti as attorney general. Moti was appointed by the Sogavare-led government in September 2006, after Primo Afeau was sacked for opposing the terms of reference for the commission of inquiry into the April 2006 riot. In 1997 Moti had been charged for alleged child abuse in Vanuatu, but was later acquitted. After Moti was appointed, the Australian government announced that he was wanted in Australia in connection with the rape case in Vanuatu. Moti was arrested in Port Moresby by Papua New Guinea police at the request of the Australian government. He appeared in a Port Moresby court, and was taken into custody pending extradition to Australia. In early October, however, Moti escaped to Solomon Islands on a clandestine Papua New Guinea Defence Force flight. A commission of inquiry later alleged that the Papua New Guinea Prime Minister's Office was somehow involved in Moti's escape, and Canberra banned Papua New Guinea politicians from entering Australia.

Following Canberra's extradition request, Moti had been suspended by the Public Service Commission in October 2006. However, the Sogavare government exerted political pressure on the commission for Moti's reinstatement, and he was officially sworn into office in July 2007. This followed the lifting of the suspension order by the permanent secretary of the Ministry of Public Service. The chairman of the Public Service Commission argued that the appointment was unconstitutional, and maintained that Moti was still suspended.

In the midst of the debates surrounding Moti's appointment, the

government plunged into another controversy when it appointed a Fijian citizen, Jahir Khan, as commissioner of police without widely advertising the post. Khan replaced former Solomon Islands Police Commissioner Shane Castles, an Australian citizen who was declared *persona non grata* by the Sogavare government in 2006 for alleged interference in local politics. The decision was not popular, attracting criticism from around the country.

On 8 August 2007, when Parliament resumed for its second sitting of the year, the Opposition launched a third motion of no confidence against the Sogavare government. The reason for the motion, the Opposition argued, was that the appointments of Moti and Khan were improper and not in the best interest of the country. On the eve of the Parliament's sitting, however, Opposition leader Fred Fono was arrested and appeared in a Honiara Magistrate's Court to face two bribery charges. It was alleged that in June Fono gave 50,000 Solomon Islands dollars to a government minister, Severino Nuaiasi, to support the no-confidence motion. Fono denied the bribery allegations, although he admitted giving the money to Nuaiasi in response to the minister's request for help to send his son to school in New Zealand. The motion of no confidence was subsequently withdrawn amid accusations that the case against Fono had been staged by Attorney General Moti, who feared that a new government would favor Australia's demands for his extradition. However, the main reason for the withdrawal of the motion may have been that the Opposition knew it did not have the numbers to unseat Sogavare.

In the August sitting of Parliament, the Sogavare-led government passed the Prescription of Ministers (Amendment) Bill 2007 to increase the number of ministers from 20 to 23. Parliament also endorsed a review of the Facilitation of the International Assistance Act, the 2003 legislation mandating that RAMSI help Solomon Islands address its law and order problems, following years of armed conflict. The aim of the proposed review was to ensure that RAMSI play a more developmental role, rather than focusing primarily on law and order issues. At the 2007 UN General Assembly session, Foreign Minister Patterson Oti asked for UN involvement in future regional peacekeeping operations. Oti asserted that “while the visiting forces deserve credit for restoring law and order the underlying social and cultural causes of tensions in the Solomon Islands have not been addressed” (Pacnews, 3 Oct 2007). Oti also criticized Australia for what he saw as Canberra’s neocolonial actions: “Mine is too nationalistic a Government to become captive to the fortunes which justify our perpetual retention under siege. My Prime Minister, fellow Government ministers and parliamentarians, as well as our Attorney-General, remained unmoved by Australian resistance to our attempts to reclaim our sovereignty and independence” (Pacnews, 3 Oct 2007).

Solomon Islands international diplomacy took a further downturn when Sogavare boycotted the 2007 Pacific Islands Forum Leaders meeting, which was held in Tonga. The boycott was to protest a Pacific Islands Forum-sponsored review that had found RAMSI a positive influence in

the country in terms of improving law and order and promoting good governance. It recommended that RAMSI should continue to help the Solomon Islands government address key issues in these areas. The Sogavare-led government disagreed with the findings, and argued that the review team had ignored his government’s terms of reference. However, the leader of the review team, former Fiji Foreign Affairs Minister Kaliopate Tavola, noted that the team did take into consideration the issues raised by the Solomon Islands government. Sogavare’s absence at the Forum meeting attracted criticism from both within the country and outside. Instead of attending the Pacific Islands Forum meeting, Sogavare went to the Taiwan/Pacific Islands summit in the Marshall Islands. The 2007 summit was the second such meeting for Taiwan and its Pacific Islands allies: Nauru, the Marshall Islands, Tuvalu, Palau, Kiribati, and Solomon Islands.

The Forum boycott generated allegations that a number of cabinet ministers were not happy, and that there was a rift in the government. However, caucus chairman Nelson Ne’e described as “baseless and an alarmist propaganda” the idea that Sogavare’s leadership was being questioned over his boycott of the meeting of the Pacific Islands Forum Leaders in Tonga. He rejected the suggestion that there was a rift within government by saying: “The Prime Minister always consults us before making decisions. That’s the way he always operates and that’s why we have complete confidence in his leadership of our Government.” He went on to say: “The PM’s decision to keep his engagements in

Majuro and Taipei was the correct one for our country at a time when the Tonga Forum was dominated by concerns which were either not our priority or could only be addressed in the way our Parliament has already decided. PM Sogavare's absence from the Forum meeting was a decision that Cabinet fully endorsed." Ne'e also noted, "The wisdom of that decision will be appreciated by our critics when the Prime Minister returns and when we unveil next year's budget" (Pacnews, 18 Oct 2007).

Despite Ne'e's denial of a rift within the government, by the final quarter of 2007 there was little that could be done to hide the fact that the Sogavare-led government was disintegrating from within. While the prime minister was on a trip to Taiwan in October, nine cabinet ministers and four backbenchers resigned and joined the Opposition. Their loss of confidence in Sogavare was attributed in part to several factors: the appointments of Moti and Khan, the rearmament plan, the failure to normalize relations with Australia, and the prime minister's absence at the Pacific Islands Forum meeting. Those who jumped ship included Deputy Prime Minister Toswell Kaua, Minister for Education Dr Derek Sikua, Minister for Planning and Aid Coordination Steve Abana, Nollen Leni, Stanley Festus Sofu, Minister of Finance Gordon Darcy Lilo, Sam Iduri, Mark Kemakeza, Patrick Vahoe Jr, Peter Tom, Martin Sogaghe, Martin Magga, and Trevor Olovae.

The members who resigned joined the Opposition, formed a new coalition, and called on Sogavare to step aside. In a letter delivered to

the governor-general, Sir Nathaniel Waena, on 11 November 2007, the new coalition requested that Sogavare step down because he no longer enjoyed majority support from the parliamentarians. Furthermore, 28 of the 50 members of Parliament signed a memorandum of understanding that stipulated their lack of confidence in Sogavare's leadership style. Sogavare, however, refused to step down, claiming that he still had enough support in Parliament: "I am elected by parliament and only parliament can vote me out" (Pacnews, 13 Oct 2007)

The weeks that followed were tense and filled with political maneuvering. In a political somersault, some members of Parliament who had joined the Opposition rejoined the government and were made ministers (Pacnews, 13 Nov 2007). The three members were Martin Maga (representing Temotu Pele), Trevor Olavae (for South Vella La Vella), and Martin Sogaghe (for North Guadalcanal). In the meantime three government ministers moved to the Opposition on 13 November. The political crisis continued for more than three weeks, and ministerial portfolios were left vacant as the government had insufficient numbers to fill them all. In the face of concerns that this was becoming a constitutional crisis, Governor-General Sir Nathaniel Waena was urged to step in. He refused, arguing that the impasse had to be solved politically, in Parliament. After weeks of uncertainty the governor-general announced that Parliament would convene on 13 December. This was challenged by the prime minister, who wanted to schedule the meeting for 24 December; he argued that this was necessary to allow time for the



newly appointed minister of finance to prepare the 2008 appropriation bill. Sogavare took the matter to court, but on 12 December the Solomon Islands High Court dismissed the case. In delivering his decision, Justice Edwin Goldsborough described Sogavare's case as "frivolous and vexatious" (STN, 12 Dec 2007).

Parliament convened on Thursday 13 December 2007, and a motion of no confidence in the prime minister was tabled. As Parliament debated the motion, there was much anxiety about a possible repeat of the April 2006 riot. Security was high as the police presence around Parliament increased. After a long day of debate, Sogavare was voted out of office in a 25 to 22 vote. On 20 December 2007, as the country prepared to celebrate Christmas, Dr Derek Sikua was elected prime minister, beating his only rival, Patterson Oti, by 32 votes to 15. It was an overwhelming demonstration of a lack of confidence in Sogavare and those, like Oti, who continued to support him. In the days that followed, Sikua put together a government dubbed the Coalition for National Unity and Rural Advancement (C-NURA).

Moti was arrested and extradited to Australia soon after the new government took over. Sogavare questioned the legality of the deportation in view of an order by the Magistrate Court to halt any action until an asylum application was heard. Police Commissioner Jahir Khan's contract was not renewed. In a letter to Khan, Prime Minister Sikua offered two options: resign or face a tribunal under the Police Act. According to a local online news bulletin, the Sikua-led govern-

ment was concerned with Khan's push to rearm the local police force. Khan agreed to leave when his contract finishes in June 2008. In a move to normalize ties with Australia and its neighbors, Prime Minister Sikua went on a three-nation tour, visiting the prime ministers of Australia, New Zealand, and Papua New Guinea. In a press statement, Sikua noted that the tour was "largely a symbolic one for the government to reassure the neighbouring countries that Solomon Islands values its relations with them" (STN, 29 Jan 2007). He also took the opportunity to express his regrets for any difficulties that may have arisen while the previous government was in power.

Back home Sikua announced that his government would reduce the number of political appointees or advisers from 24 to 11. However, during the first meeting of the Public Accounts Committee in 2008, it was revealed that the government would increase its appointees from 11 to 20. The Opposition was critical of this move, describing it as misleading.

By December 2007, Solomon Islands had its third government in the twenty months since the April 2006 elections. At the launching of the C-NURA government policy statements, the prime minister noted that his government was focusing on basic elements affecting the standard of living, such as food security, clean water supply and sanitation, rural health services, schools, and rural economic empowerment. Sikua noted, "We must be realistic about the great challenges facing us and the limited resources available to us to meet those challenges. . . . We must reject the notion

that we can get big amounts of money overnight with no hard work. . . . We must each take responsibility for our own lives and that of our families and work hard at it" (STN, 19 Jan 2008). It remains to be seen whether these policies will succeed. The new government knows that it has to deliver tangible results in order to prove to the nation that its removal of the Sogavare government was not just another politically successful motion of no confidence.

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### VANUATU

The first big story in Vanuatu in 2007 was the arrest, in January, of Peter Foster for illegal entry into Vanuatu. A high profile "conman," Foster was facing trial in Fiji for fraud-related charges. He escaped from Fiji on board the *Retriever 1*, which dropped him off on Efate on 8 January. Australian Customs officials and Australian Federal Police soon became involved in the investigation, as they had concerns that the *Retriever 1* was being used to smuggle drugs and guns (*Australian*, 19 Jan 2007). In January Foster was sentenced to six weeks

imprisonment for the illegal entry and required to pay a fine. After three weeks in jail he left the country for Australia, where he went on to stand trial for fraud involving the Federated States of Micronesia. The crew of the *Retriever 1* was not so lucky. The vessel was impounded in Port Vila and various weapons seized. Ultimately the only charge that resulted in a conviction was one against the skipper, Kell Walker. He had been charged with making a threat to kill another person, a threat that was made in the context of trying to extort money in a salvage scam (*Public Prosecutor v Walker* [2007] VUSC 61). Walker was sentenced to two years imprisonment, a sentence that was upheld on appeal.

Much more serious were the events of March, when communities from Tanna and Ambrym living in Port Vila had a violent confrontation. Rumors had circulated that some men from Ambrym had supplied some men from Tanna with sorcery, and that these Tannese men were using black magic techniques to cause deaths. The catalyst for the confrontation was the death of the wife of a prominent pastor. On the morning of 3 March, members of the communities clashed violently in the Tagabe area. Participants were armed with knives, axes, iron bars, and clubs. Police, probably scared by the mobs, did not respond, and in this initial confrontation one Tannese man was killed. This led to a mob from Tanna rampaging through the Anabrou area. The mob targeted houses owned by people from Ambrym, burning them to the ground. By the end of the day, two more men, both from Ambrym, were dead and a number of people hospitalized. Some

families were also left homeless. On 4 March a state of emergency was declared. Under this state of emergency, which lasted for a fortnight, no public assemblies other than church services were permitted and police powers of detention were extended. Police were also authorized to carry arms. More than one hundred people involved in the incident were arrested or detained. The shocked Port Vila community remained calm, turning their attention to supporting the families who had lost their houses.

Little action has been taken since the incident. A commission of inquiry was established to investigate and report on the causes of the violence. In September the commission presented its report to the Minister of Justice and also made an executive summary of the report available to the public. The findings placed a lot of the blame for the incident on failures on the part of the police force. While the terms of reference stated that it was a public inquiry, the Minister of Justice ordered the media to stop publishing the findings. The full report has never been made public, which has raised suspicion that it is critical of the government. There have been no apparent or visible changes in the police following the report. A number of people were charged with offenses following their actions on 3 March, but none of these cases have come to trial yet.

Rumors of problems within the governing coalition led by Ham Lini of the National United Party (NUP) were circulating from the beginning of the year. The coalition had survived five motions of no confidence since it was established in December 2004, and numerous cabinet reshuffles have

taken place. Despite the rumors no significant changes were made until early May. These changes were precipitated by the Luganville Municipal Council (LMC) elections, which took place at the end of April. The campaign period itself was fairly quiet, marred only by allegations that Serge Vohor of the Union of Moderate Parties (UMP) assaulted three candidates from the Vanuatu Republican Party (VRP) (VDP, 21 April 2007). The election results were as follows: Greens Confederation (GC) 4 seats; NUP 3 seats; VRP 2 seats; Vanuatu National Party (VNP) 2 seats; National Community Association (NCA) 1 seat; and Vanua'aku Party (VP) 1 seat. Initially a memorandum of understanding to run the Luganville Municipal Council was signed between NUP, VRP, VP, and NCA, all parties in Lini's governing coalition. However, VRP defected, and the council ended up being controlled by a coalition of GC, VRP, and VNP, with the mayor being VNP's Jonah Reuben. Reuben died less than two months after the election, so the composition of the municipal council is not set and Luganville will face further elections in 2008.

Vanuatu Republican Party Secretary General Marcelline Pipite, who had signed the initial memorandum of understanding on behalf of his party, was blamed for VRP's defection. He lost his position as Minister for Agriculture and was suspended from VRP for one month. The VRP party coordinator, Siri George, was also suspended by VRP President and Minister for Lands Maxime Carlot Korman. Two weeks later Donna Browney, also of VRP, was appointed as Minister of Agriculture, thereby retaining the

coalition balance. Once Pipite's suspension finished he reinstated George, a move that could be interpreted as indicating a split. In mid-June this split became apparent, with two VRP members of Parliament being in government and two in opposition. By July the issues had been resolved and all VRP parliamentarians joined together in government.

In April and May difficulties were also increasing for the Vanua'aku Party's George Wells, Minister of Internal Affairs. Despite being widely respected for attempting to address mismanagement in the municipal and provincial councils, Wells found himself subject to disciplinary procedures under the VP party rules. The nature of the allegations against Wells is not clear, other than vague assertions that he had failed to promote VP interests, but following these procedures the party decided to remove Wells as a minister (VDP, 12 April 2007). However, Ham Lini did not act on the decision of the party executive, and Wells remained as minister. In early June, having lost VP support, Wells chose to move to NUP. He immediately lost his position as Minister of Internal Affairs, as this was reserved for VP under the terms of the coalition agreement. Philip Boedoro took over this portfolio.

On 11 June a motion of no confidence was deposited in Parliament. Issues underlying the motion included management of the Vanuatu Commodities Marketing Board (VCMB), improper conduct of ministers, and failure by the government to deal with such conduct. The motion gained sufficient signatures when VP left the coalition. VP's move meant that Edward Natapei, Philip Boedoro, Joe

Natuman, and Isabelle Donald all lost their ministerial portfolios. Labour Party Member of Parliament Joshua Kalsakau, who had signed the motion, accepted the position of Minister of Justice. Next, the Union of Moderate Parties defected from the opposition, with Serge Vohor becoming the Minister of Public Utilities, Keasipae Song the Minister for Internal Affairs, and Charlot Salwai the Minister for Education (*Independent*, 17 June 2007). With UMP's move into government, the motion of no confidence no longer had sufficient support and was withdrawn. The Vanua'aku Party also returned to the government, resulting in a small opposition of only ten members. The opposition, under the leadership of Greens MP Moana Carcasses Kalosil, formed a shadow cabinet, the first time an opposition has ever done so.

The Minister of Public Utilities portfolio includes oversight of Air Vanuatu, and Vohor soon began to make changes to the composition of the airlines' board. Harry Iauko, a VP stalwart, and all other board members were terminated, and a new board constituted under UMP's Alfred Maliu. This new board wanted to reinstate Joseph Laloyer and appoint former Chief Executive Officer Jean Paul Virelala as a consultant. Both of these men had been terminated in 2005, with Virelala being awarded a large compensation payment (see Jowitt 2006).

In the middle of July, news of Vanuatu's largest bank fraud surfaced. Three parliamentarians' allocation checks had been altered and presented to the National Bank of Vanuatu. The members involved were Dunstan Hilton (the Minister of Youth and Sport),

Noel Tamata, and Malon Hops-  
mander, all of the Peoples Progressive  
Party (PPP). An Indo-Fijian, Salendra  
Sen Sinha, who had previously been  
charged with counterfeiting (although  
no conviction resulted) was implicated  
as a central figure. As the investiga-  
tion went on, more people, including  
Andre Lesines, the former first politi-  
cal adviser to PPP's Sato Kilman, were  
implicated. Sinha escaped Vanuatu  
and fled to Fiji, but others, including  
the three members of Parliament, have  
been charged, with the trial to take  
place in 2008.

By the end of July another cabinet  
reshuffle took place, in which both  
PPP and UMP were removed. This  
reshuffle saw Sato Kilman lose the  
Ministry of Foreign Affairs to George  
Wells (NUP); Vohor lose the Ministry  
of Public Utilities to Edward Nata-  
pei (VP); Salwai lose the Ministry of  
Education to Leinavao Tasso (VP);  
and Song lose the Ministry of Inter-  
nal Affairs to Joe Natuman (VP). In  
early August, Greens MP Roro Sambo  
was appointed Minister of Youth and  
Sport. Immediately after UMP was  
ousted from the cabinet, Vohor alleged  
that the move was a result of Chinese  
interference, as Vohor had, in the past,  
supported Taiwan (see Jowitt 2005).  
Not much credence was given to these  
claims, since more apparent motiva-  
tors included the behavior of Vohor in  
relation to Air Vanuatu and the desire  
for Lini to make room for VP in the  
cabinet. The government remained  
stable until the end of the year in part  
perhaps due to Lini's frequent warn-  
ings that any proposed motion of no  
confidence would result in the dissolu-  
tion of Parliament.

On 26 September the Sanma Pro-

vincial Council elections went ahead.  
Nine parties won seats on the eigh-  
teen-person council, with the Union of  
Moderate Parties, the Vanuatu Repub-  
lican Party, and Nagriamel being the  
only parties to win more than two  
seats. There was some maneuvering,  
with an initial memorandum of under-  
standing indicating that UMP would  
be shut out of leadership (VDP, 3 Oct  
2007), but when the council was  
formed the Nagriamel members found  
themselves outside the governing  
coalition, with VRP gaining the presi-  
dency and UMP the vice presidency  
(VDP, 5 Oct 2007). This had little  
apparent impact on national politics,  
in part because political representation  
in Sanma is so fragmented, and many  
of the parties do not have representa-  
tion in the national government.

Mismanagement in statutory bodies  
has continued to be a theme in 2007,  
with the government beginning to take  
decisive action to curb problems. As  
mentioned earlier, the Air Vanuatu  
board had been subject to political  
interference, a problem that has been  
ongoing for years. In August the board  
was reduced from about thirty to just  
seven members, a move that reduces  
costs and minimizes political appoint-  
ments. The Council of Ministers also  
decided to sell 46 percent of its shares  
in the airline (VDP, 13 Aug 2007). The  
Vanuatu Maritime Authority, which  
has frequently faced allegations of  
corruption, was abolished in Decem-  
ber, with the repeal of the Vanuatu  
Maritime Authority Act. The Vanuatu  
Commodities and Marketing Board  
was subject to a review in the second  
half of the year, and there have been  
media reports that the VCMB Act will  
be the next to be repealed.

In December the government instituted the Governance for Growth program, which is supported by AusAID. This program “supports reforms that will provide better quality expenditure and public investment . . . aims to improve public financial management and statistics and . . . also supports reforms to telecommunications competition, rural electrification, commodities marketing and airline reform” (AusAID 2007). A decision to end the monopoly of Telecom Vanuatu Ltd five years earlier than planned was endorsed in the last sitting of Parliament.

Land issues are another continuing theme, particularly concerns about improper land sales. Minister for Lands Maxime Carlot Korman was the subject of several media reports alleging corruption in the signing of leases and the issuing of negotiators certificates (VDP, 21 April 2007, 23 June 2007; RNZI 4 July 2006), although he has continued in his position. The land sale that attracted the most attention involved a piece of waterfront property on Faturaru Bay. Businesses on both sides of the land had bid to purchase it, with the land being “won” by Chantilly’s. Allegations of improper land dealings by the Port Vila Municipal Council and the Minister of Lands arose, and a commission of inquiry into the actions of the Port Vila Municipal Council in relation to this land sale has been launched (Minister of Internal Affairs Order, 30 Aug 2007). Previously land sales have largely been focused on Efate and Santo, but now concerns over land sales on other islands, including Epi and Gaua, are beginning to surface. In a positive move to curb

land disputes on Efate, the Vaturisu Council of Chiefs met for the first time in many years in February. At this meeting a set of Vaturisu custom land laws, to govern Efate, was endorsed and released. The Vaturisu also have an important role in resolving land claims being made by the Vete Association, a group from Tongoa that claims to have customary ownership of land in Port Vila.

Some issues have come up in relation to custom authorities in Vila, with the Port Vila Town Council of Chiefs being dissolved by the Malvatumauri or National Council of Chiefs in late May. The Malvatumauri claimed that the town council was not doing its job properly and was not properly representative (VDP, 12 June 2007). While the town council was soon reestablished, it raised the issue that the chiefs are being expected to maintain law and order in town and to step in when police fail, although the police are given all the resources to maintain law and order.

More general environmental issues have also been prominent in 2007. In addition to illegal logging activities on Efate (*Independent*, 3 June 2007), there has been concern about two Chinese-funded projects that could cause considerable environmental damage, an oil palm project on Santo and a fish-processing plant in Port Vila. Neither appears to have been subject to proper environmental impact assessment studies, and there are allegations that the establishment of the fish-processing plant is also bypassing other laws (*Independent*, 2 Sept 2007). Community opposition to the projects has been strong, with an association known as RAPT, or Resi-

dents Against Tuna Processing in Port Vila, launching court action to try to get the development stopped.

Finally, the US Millennium Challenge Account (MCA) infrastructure development projects, which were meant to have commenced in 2007, were put on hold when the tender was annulled in December. The reason for the annulment was that all bids that were received were higher than what had been budgeted for. Reasons given included that “global and regional markets have undergone considerable change . . . including exchange rate movements, cost of transport of goods and equipment and of critical inputs for construction [and] increased demand in the regional construction marketplace” (MCA Vanuatu, 13 Dec 2007). The scope of the infrastructure project is now being reexamined.

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